

By Senator Ring

32-02763A-08

20081542__

1 A bill to be entitled
2 An act relating to pharmaceutical drugs; creating s.
3 409.9305, F.S.; providing legislative findings; requiring
4 the Agency for Health Care Administration to establish the
5 Florida Saves on Rx Program; providing definitions;
6 providing eligibility requirements for participation in
7 the program; requiring the Secretary of Health Care
8 Administration to contract with a program administrator to
9 develop a system to purchase prescription medications from
10 authorized pharmacies and pharmacies outside the United
11 States; requiring the agency to verify program eligibility
12 and ensure against illicit diversion of prescription
13 drugs; requiring the agency and the program administrator
14 to adopt a preferred drug list or formulary for the
15 program; authorizing the secretary or the program
16 administrator to negotiate rebates for the inclusion of
17 drugs on the preferred drug list or formulary; requiring
18 the agency to adopt rules to administer the program;
19 requiring the agency to submit an annual report to the
20 Legislature; providing a list of prescription medications
21 that are excluded from the preferred drug list; specifying
22 that the program is not an entitlement; providing an
23 effective date.

24
25 Be It Enacted by the Legislature of the State of Florida:

26
27 Section 1. Section 1. Section 409.9305, Florida Statutes,
28 is created to read:

29 409.9305 The Florida Saves on Rx Program.--

32-02763A-08

20081542__

30 (1) FINDINGS.--

31 (a) High prescription drug prices force many residents of
32 this state to go without proper medication or other necessities,
33 thereby affecting their health and safety.

34 (b) Reducing the price of prescription drugs would benefit
35 the health and well-being of Florida residents by providing more
36 affordable access to needed drugs.

37 (c) The federal Congressional Budget Office estimates that
38 manufacturer prices of patented brand name drugs average 35 to 50
39 percent less in other industrialized countries compared to those
40 sold in the United States.

41 (2) PROGRAM ESTABLISHED.--The Agency for Health Care
42 Administration shall establish and administer the Florida Saves
43 on Rx Program that will enable eligible residents of this state
44 to purchase prescription drugs at discounted prices from outside
45 the United States.

46 (3) DEFINITIONS.--As used in this section, the term:

47 (a) "Agency" means the Agency for Health Care
48 Administration.

49 (b) "Authorized pharmacy" means any pharmacy registered in
50 this state under the Florida Pharmacy Act or approved by the
51 Agency for Health Care Administration or its program
52 administrator to participate in the Florida Saves on Rx Program.

53 (c) "Covered medication" means any medication included on
54 the Florida Saves on Rx Program's preferred drug list or program
55 administrator's formulary.

56 (d) "Drug manufacturer" means any entity that is located
57 within or outside the state and that is engaged in the
58 production, preparation, propagation, compounding, conversion, or

32-02763A-08

20081542__

59 processing of prescription drug products covered under the
60 program, directly or indirectly, by extraction from substances of
61 natural origin, independently by means of chemical synthesis, or
62 by a combination of extraction and chemical synthesis. However,
63 the term does not include a wholesale distributor of drugs or a
64 retail pharmacy licensed under state law.

65 (e) "Prescription drug" means any prescribed drug that may
66 be legally dispensed by an authorized pharmacy under the program.

67 (f) "Program" means the Florida Saves on Rx Program created
68 under this section.

69 (g) "Program administrator" means the entity that is
70 selected by the agency to administer the program. The program
71 administrator may be the Secretary of Health Care Administration
72 or a pharmacy benefits manager chosen to contract with the
73 agency.

74 (4) ELIGIBILITY REQUIREMENTS.--Eligibility for the program
75 is limited to an individual who:

76 (a) Is a resident of this state;

77 (b) Is not eligible for Medicaid; and

78 (c) Is not enrolled in an employer sponsored health plan.

79 (5) ADMINISTRATION.--

80 (a) The Secretary of Health Care Administration shall
81 contract with a program administrator to create a system for
82 state residents to fill their prescription medications through
83 authorized pharmacies and other pharmaceutical distributors
84 outside the United States.

85 (b) The program administrator shall establish a method for
86 eligible residents to submit their prescriptions for covered
87 medications to be filled by authorized pharmacies and other

32-02763A-08

20081542__

88 pharmaceutical distributors that mail or otherwise ship all
89 filled prescriptions directly to the program participant.

90 (c) The agency and the program administrator shall verify
91 participant eligibility for the program and establish a system to
92 ensure that illicit diversion of prescription drugs does not
93 occur through the program.

94 (d) The agency and the program administrator shall develop
95 a preferred drug list or formulary of covered medications in the
96 program. Each drug manufacturer shall agree to negotiated cash
97 rebates for inclusion of any of its medications on the preferred
98 drug list or formulary adopted by the agency and the program
99 administrator.

100 (e) The agency and the program administrator shall develop
101 a system to identify and authorize the participation of
102 authorized pharmacies and other pharmaceutical distributors in
103 the program.

104 (f) The Secretary of Health Care Administration, or the
105 program administrator, may enter into negotiations with
106 pharmaceutical manufacturers to obtain rebates on the covered
107 medications distributed through the Florida Saves on Rx Program
108 which shall be used to offset the cost of the covered medications
109 and to fund any administrative costs associated with the program.

110 (g) The agency shall adopt rules pursuant to ss. 120.536(1)
111 and 120.54 to administer this section.

112 (h) By January 1 of each year, the agency shall submit a
113 report to the President of the Senate and the Speaker of the
114 House of Representatives on the operation of the program. The
115 report shall include information on the number of individuals
116 being served, average cost savings based on comparative pricing

32-02763A-08

20081542__

117 in the market in the United States, and administrative
118 expenditures under the program.

119 (6) EXCLUSIONS.--The following medications may not be
120 included on any preferred drug list or formulary adopted by the
121 agency and the program administrator:

122 (a) Medications requiring refrigeration which may spoil
123 during transit;

124 (b) Narcotics, depressants, stimulants, hallucinogens, and
125 anabolic steroids as regulated by the federal Controlled
126 Substances Act; and

127 (c) Medications that must be taken immediately to prevent
128 the spread of infectious diseases or that treat infections that
129 may worsen due to the time required to process the prescription
130 through the program.

131 (7) NONENTITLEMENT.--The Florida Saves on Rx Program
132 established by this section is not an entitlement.

133 Section 2. This act shall take effect July 1, 2008.